fruits and vegetables. Recently Government has announced launching of a National Horticulture Mission *w.e.f.* 1st April 2005 with an objective to ensure an end-to-end approach for the horticulture sector. A Draft National Policy of Food processign has been framed. Draft Policy envisages possible measures to be taken for reduction in wastage, increase in level of processing, enhancement in value addition, etc.

**Share of small and cottage industries in the growth of FPI**

†561. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether it is a fact that food processing industry has achieved around 8 per cent growth rate in recent years;

(b) if not, the facts in this regard;

(c) whether it is a fact that the share of small and cottage industries is much more than that of multi-national companies and large industries; and

(d) if so, the ratio of the share of small and cottage industry and the production being made out of total established capacity in this sector?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) and (b) According to an estimate, growth of food processing industries was 7.1% in the last few years of 9th Plan. Growth rate during the 10th Plan is estimated to be 7.3% for a GDP growth of 6%.

(c) and (d) Based on employment the entire industrial sector including food processing industries can be broadly classified as organized and unorganized sectors. Accordingly as per the available information, there were 27,000 food-processing units in the organized sector and 51.15 lakh FPI units in the unorganized sectors. In employment terms, share of the unorganized sector is 84.95%. However, in terms of gross output,

† Original notice of the question was received in Hindi.

share of the unorganized sector is 23.23% as against 76.77 contributed by the organized sector. The requisite details about MNCs are not centrally maintained. However, it is reported that share of food processing industry constitutes 2.27% in the cumulative FDI approval during January 2002 to February 2005.

**Effect of inadequate transportation facilities on food articles**

†562. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether it is a fact that 40 per cent of food articles are destroyed during transportation from producer to processing unit due to lack of transport system in the country;

(b) if not, Government's assessment in this regard;

(c) whether it is also a fact that several units of processing industry are either closed down temporarily or produce at lower capacity in off-seasons due to this loss; and

(d) if so, Government's assessment in this regard and annual loss to the industry due to above said reasons?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) and (b) As per the report of M/s. Rabo India Finance Private Limited, wastage of fruits & vegetables is estimated to be 22% and 10% in case of grains at various stages of handling after harvesting like inadequate post-harvest infrastructure, lack of cold chain facilities, transportation, proper storage facilities etc.

(c) and (d) Food processing industry is seasonal by nature. As such, assets remain idle during off seasons. The requisite information about closed FPI units or quantum of loss to the industry is not centrally maintained.

† Original notice of the question was received in Hindi.